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| **Reg. No.** |  |  |  |  |  |  |  |  |  |  |  |

D.K.M. COLLEGE FOR WOMEN (AUTONOMOUS), VELLORE-1

SEMESTER EXAMINATIONS

 NOVEMBER – 2016 15CACO3B

# ALLIED: FINANCIAL ACCOUNTING - I

Time : 3 Hrs Max. Marks : 75

SECTION-A (10 x 2 = 20)

Answer ALL questions.

1. Explain about the going concern concept.
2. Give journal entries for the following transaction.
	1. Paid salary Rs. 5000/-
	2. Sold goods for Rs. 20,000/-
3. What is gross profit?
4. What do you understand by Fixed Assets?
5. What is meant by depreciation?
6. A machine was purchased for Rs. 50,000/- on 01.01.2000. The estimated life of the machine is 5 years. Estimated scrap is Rs.5,000/-. Find out the amount of depreciation.
7. What is average due date?
8. Define Single Entry System.
9. What is bank Reconciliation Statement?
10. Give any two uses of average due date.

SECTION-B (5 x 5 = 25)

Answer any FIVE of the following questions.

1. Rectify the following errors.
	1. Rs. 7,500/- paid for furniture purchases has been charged to Purchase A/c.
	2. Sold old furniture for Rs.2,000/- passed through the sales book.
2. Briefly explain about the various method of deprecation.
3. Prepare a trading account of Ms. Selvi for the year ending 31st March 2014 from the following figures:-

|  |  |
| --- | --- |
| Purchase  | 1,50,000 |
| Sales | 2,50,000 |
| Opening Stock | 60,000 |
| Closing Stock | 90,000 |
| Purchase return | 2,600 |
| Sales return | 5,400 |
| Carriage inwards | 400 |
| Wages | 7,000 |

1. A machine purchased on 1st July 2003 at a cost of Rs.15,000/-. The depreciation is written off 10% on the original cost every year. The books are closed on 31st December each year. The machine was sold for Rs. 9,500/- on 31st March 2006. Show the machinery account for all the years.
2. Find out profit from the following data.

|  |  |
| --- | --- |
| Capital at the beginning of the year | 80,000 |
| Drawings during the year  | 18,000 |
| Capital at the end of the year  | 90,000 |
| Capital introduced during the year |  5,000 |

1. Prepare Trial Balance from the following:

|  |  |
| --- | --- |
| Debtors  | 1,200 |
| Bank Loan | 2,200 |
| Investment | 1,400 |
| Creditors | 800 |
| Sales Return | 400 |
| Purchases | 800 |
| Opening stock | 200 |
| Plant and Machinery | 1,200 |
| Capital | 1,000 |
| Sales | 1,200 |

1. Explain the limitations of single entry systems.
2. Find out average due date.

|  |  |  |
| --- | --- | --- |
| Date of Bill  | Amount of bill |  Due Date |
| 01.04.2013 |  800 | 06.06.2013 |
| 30.04.2013 | 1000 | 03.08.2013 |
| 03.06.2013 |  400 | 06.07.2013 |
| 15.06.2013 |  600 | 18.09.2013 |

SECTION-C (3 x 10 = 30)

Answer ALL questions.

1. (a) The cash book of Mr. Ravi showed a balance of Rs.2500 on 23rd Sep. 2004. This did not agree

 with the pass book. From the following particulars ascertain the balance as per pass book.

1. Cheque paid in but not cleared by bank before 23.09.2004 Rs. 500/-
2. Cheque issued in favour of customers but not presented prior to 23.09.2004 Rs. 675.
3. Commission charged by bank but not entered in cash book Rs.25.
4. Interest on government securities collected and credited by bank not yet entered in cash book Rs.400/-
5. No record has been made in the cash book relating to a dishonor of a cheque for Rs. 50/-

(Or)

 (b) From the following trial balance of K.V. agency, prepare final accounts for the year 2000.

|  |  |  |
| --- | --- | --- |
|  | Debit | Credit |
| Capital  |  | 1,00,000 |
| Drawings | 18,000 |  |
| Buildings | 15,000 |  |
| Furniture | 7,500 |  |
| Motor Van | 25,000 |  |
| Loan from hari |  | 15,000 |
| Interest paid | 900 |  |
| Sales |  | 1,00,000 |
| Purchase | 75,000 |  |
| Opening stock | 25,000 |  |
| General expenses | 15,000 |  |
| Wages | 2,000 |  |
| Insurance | 1,000 |  |
| Commission received |  | 7,500 |
| Debtors | 28,100 |  |
| Bank | 20,000 |  |
| Creditors |  | 10,000 |
|  | 232500 | 232500 |

 Adjustments

1. Closing stock Rs.32000
2. Outstanding wages Rs.1,000
3. Prepaid insurance Rs.250
4. Depreciate motor van 5%, furniture 10%.
5. (a) Mr. Raja purchased a machine for Rs.8,000 on 1st Jan 2008. He spent Rs.2000 on is installation.

 Depreciation is written off @ 10% p.a. on the original cost. On 1st July 2008, the company

 purchased another machinery for Rs. 20000.

On 31st Dec 2010 the first machinery (which was purchased on 1.1.2008) was sold for

 Rs.7000. Prepare Machinery A/c assuming that the accounts are closed on 31st December every

 year.

(Or)

 (b) Machinery was purchased on 1.1.2000 for Rs. 40,000. On June, another second hand machine

 was purchased for Rs. 20,000. On 30th June 2002 the second machine was sold for Rs. 15000.

 Prepare machine account after allowing depreciation of 10% p.a. on the written down value.

1. (a) Ms. Kavitha drew upon Rani several bills of exchange due for payment on different dates as

 under:

|  |  |  |
| --- | --- | --- |
| Date of bill | Amount  | Tenure of the bill |
| 01.06.88 | 1200 | 3 months |
| 19.06.88 | 1600 | 2 months |
| 10.07.88 | 2000 | 3 months |
| 27.07.88 | 1500 | 3 months |
| 07.08.88 | 1800 | 1 month |
| 15.08.88 | 2400 | 2 months |

 Find out the average due date on which payment may be made in one single amount.

(Or)

 (b) From the following details find out the credit purchases and total purchases.

|  |  |
| --- | --- |
| Cash purchases | 29000 |
| Bills payable opening | 7500 |
| Bills payable closing  | 2500 |
| Creditors opening  | 20000 |
| Creditors closing  | 18000 |
| Cash paid to creditors | 25000 |
| Bills payable paid during the year  | 10500 |
| Purchase return | 1500 |
| Allowances from creditors | 800 |
| Bills payable dishonoured | 300 |

**\* \* \* \* \* \* \***